

Title 22  
Employment Training Panel  
Article 2

§ 4402.2. Critical Proposal.

(a) The Panel recognizes that certain application(s)/proposal(s) for Panel funding are uniquely critical to the California economy, and therefore the development of such application(s)/proposal(s) must be expedited.

(1) The Executive Director determines if an application/proposal meets the criteria specified in subsection (2) for is to be given immediate attention. ~~Such a project will be designated in-house as a "Critical Proposal", and the development of that project will be given priority over other non-critical designated projects, at whatever stage in development those non-critical projects may be.~~

~~(2) The "Critical Proposal" designation will be in writing, identify the project, and indicate the basic reason(s) for its special status. These reasons may include, but are not limited to training of new employees of firms locating or expanding in the state that provide high skilled, high-wage jobs and are committed to an ongoing investment in the training of frontline workers, and training of existing employees subject to displacement because of plant closure, reduction in workforce, changes in technology, or significantly increasing levels of international and out-of-state competition.~~

(2) "Critical Proposals" are proposals that are part of a California economic development effort that involves local and State entities endeavoring to add or retain California jobs, by providing support and incentives for businesses that are:

(A) expanding within California through the addition of new jobs as a result of a new product or new business function; or

(B) moving operations from out-of-state to California; or

(C) adding a new facility in California; or

(D) considering relocation of a California facility or operation to a location outside of California.

(3) Critical Proposals shall be initiated by a participating State of California economic development entity (such as the Labor and Workforce Development Agency or California Business Investment Services [CalBIS]) that shall submit to ETP a written description of the project, including a list of participating State and local agencies, other incentives offered, and a description of the anticipated result of the ETP funding to the proposed contractor on the local or State economy.

(b) The Panel may modify the following requirements for Critical Proposals on a case-by-case basis:

(1) Substantial contribution requirement, provided in 22 CCR § 4410, including, but not limited to, cases where a California business currently subject to a substantial contribution proposes to expand an existing facility by adding and training new employees for a new product line or business function

(2) Limit on literacy training hours, provided in 22 CCR § 4420, in cases where the business has employees with limited English skills and demonstrates that their employees require an amount of literacy training which exceeds the limit specified in 22 CCR § 4420

(3) Turnover rate, provided in 22 CCR § 4417, including, but not limited to, situations where an out-of-state business is moving to California and the business' turnover rate immediately prior to the announcement of the move meets the criteria set out in 22 CCR § 4417

(4) Out-of-state vendor limitation, provided in 22 CCR § 4421, including, but not limited to, cases where an out-of-state business is moving its equipment (as well as its business) to California and the only people experienced with the equipment are the business' former employees who are located outside California

(5) Definition of laboratory training, provided in 22 CCR § 4400 (y), including, but not limited to, situations where a business must comply with industry-specific federally-mandated criteria for the delivery of training.

(6) Training recordkeeping requirements, provided in 22 CCR § 4442, including, but not limited to, cases where a business must comply with industry-specific federally-mandated criteria for record keeping.

Authority: Section 10205 (l~~m~~), Unemployment Insurance Code.

Reference: Sections 10205 (j~~k~~), 10200 (b), Unemployment Insurance Code.